

## DRONE VOLT

### significantly improved gross margin in the 3<sup>rd</sup> quarter 2023

Villepinte, October 18, 2023

- Increase in quarterly gross margin in both value and percentage of sales, thanks to the very promising launch of the DRONE VOLT Expert<sup>1</sup> service offering,
- Decline in quarterly sales due to tight supplies for the Distribution business,
- Cumulative sales for the first 9 months doubled, in line with annual growth ambition,
- Favorable outlook for year-end, driven by innovation and aggressive sales.

DRONE VOLT, manufacturer of professional civil drones and expert in embedded solutions, presents its unaudited sales for the 3<sup>rd</sup> quarter 2023.

<i>Unaudited data in thousand euros - IFRS standards</i>	<b>T3 2022</b>	<b>T3 2023</b>	<b>Growth</b>
<b>Sales figures</b>			
<i>DRONE VOLT FACTORY, SERVICES &amp; ACADEMY</i>	90	512	+469%
<i>sales</i>	3 859	2 541	-34%
<b>TOTAL</b>	<b>3 949</b>	<b>3 053</b>	<b>-23%</b>
<b>Gross margin</b>			
<i>DRONE VOLT FACTORY, SERVICES &amp; ACADEMY</i>	15	313	+1987%
<i>sales</i>	540	393	-27%
<b>TOTAL</b>	<b>555</b>	<b>706</b>	<b>+27%</b>
<b>Gross margin</b>			
<i>DRONE VOLT FACTORY, SERVICES &amp; ACADEMY</i>	17%	61%	+44 points
<i>sales</i>	14%	15%	+1 point
<b>TOTAL</b>	<b>14%</b>	<b>23%</b>	<b>+9 points</b>

"Having capitalized heavily on our historic order, which has enabled us to double our sales since the beginning of the year, we are now seeing our new, high value-added activities gain momentum. Thanks to our capacity for innovation, we are able to respond to an ever-growing range of professional needs, with dedicated applications in the fields of electrical network maintenance, security and major construction sites.

Thanks to our DRONE VOLT Expert offer, which includes pay-per-use invoicing and the provision of professional pilots, we are now in a position to break down economic barriers and provide the level of support our customers expect and need. It's a win-win situation: our customers improve both their operational and financial efficiency, and so does DRONE VOLT, with a visible impact on sales and gross margins" declares Marc Courcelle, DRONE VOLT's Managing Director.

<sup>1</sup> Drone as a Service business

### Focus on profitability in Q3 2023

As announced, in the 3<sup>rd</sup> quarter of 2023, Drone Volt launched its "Drone as a Service" pay-per-use offer, based on invoicing per use rather than per ownership of its products. It's off to a very promising start, with the first two significant contracts already signed at the end of June for a firm initial 12-month period, which should generate substantial sales of several hundred thousand euros.

At the same time, DRONE VOLT continued to sell products from the DRONE VOLT FACTORY, including 5 HERCULES 20 delivered to the United States, 2 HERCULES 10 in Europe and 2 LINEDRONE for its partner HYDRO-QUEBEC.

This solid momentum drove a more than 5-fold increase in sales for the DRONE VOLT FACTORY, SERVICES & ACADEMY branch, to 0.5 million euros, and above all a 44-point jump in gross margin for these high value-added activities, to 61%.

### Tension in supply chain

At the same time, Drone Volt had to cope with persistent supply tensions, which weighed on its distribution business. Nevertheless, this strategic complementary activity generated sales of 2.5 million euros over the quarter, with a gross margin in line with the norm for this type of activity (15%).

Despite these tensions, Drone Volt has continued deliveries under the historic order received in February 2023, with cumulative billings of 13 million euros at the end of September 2023 and 14 million euros to date. The Group remains committed to fulfilling the entire order (20 million euros) as quickly as possible.

### Record sales and gross margin after 9 months of activity

At the end of the 3<sup>rd</sup> quarter 2023, Drone Volt reported consolidated sales of 3.1 million euros (-23%) and a gross margin of 0.7 million (+27%), giving a profit margin of 23% (+9 points).

Over the first 9 months of the year, Drone Volt generated sales of 19.0 million euros (+138%) and a gross margin of 2.5 million (+29%). The company is now on track to achieve its ambition of doubling annual sales, despite supply tensions.

### Innovation with the release of a new drone and the benefits from recent trade shows to end the year.

To sustain this momentum over the final months of the year, Drone Volt is counting on the commercial benefits from trade shows at which the Group presented its latest innovations. In October alone, Drone Volt exhibited at the 72<sup>nd</sup> edition of Congrès-Exposition de l'Industrie Minérale (SIM), the 129<sup>th</sup> Congrès National des Sapeurs-Pompiers de France and the 7<sup>th</sup> Salon Européen du Drone Professionnel (UAV Show).

In November, Drone Volt will unveil its latest innovation in the range, named Drone Volt Kobra, at Milipol, the world's leading event for state safety and internal security. This new range will benefit from the latest innovations stemming from know-how developed in-house and the integration of teams from Lorenz Technology, a Danish company specializing in drone inspection and surveillance solutions, since April 2023.

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**Next press release: sales 2023, Wednesday January 17, 2024**

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**About DRONE VOLT**

Founded in 2011, DRONE VOLT is an aircraft manufacturer specializing in professional civil drones and artificial intelligence. DRONE VOLT has operations in France, Benelux, Canada, Denmark, the United States, Switzerland and Indonesia. As a global partner, DRONE VOLT offers its customers "turnkey" business solutions, including various services and drone pilot training.

The DRONE VOLT Group, a member of GICAT, achieved sales of 13.7 million euros in 2022.

DRONE VOLT supplies administrations and manufacturers such as the French Army, the Ministry of the Armed Forces, Engie, Total, Bouygues ES, ADP, the Gendarmerie des Transports Aériens (GTA), international government agencies...

DRONE VOLT is qualified as an "Innovative Company" by Bpifrance.

**DRONE VOLT is listed on the Euronext Growth market in Paris:**

Share: Mnemo: ALDRV - ISIN Code: FR0013088606 - Eligible: PEA, PEA-PME

Warrant: Mnemo: BNBS - ISIN Code: FR0014007951

More information at [www.dronevolt.com](http://www.dronevolt.com)

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